

**Prepared by and after
recording mail to:**

Robert C. Reid, Esq.
Bryant, Miller and Olive, P.A.
201 South Monroe Street
Suite 500
Tallahassee, Florida 32301

SUBORDINATION AGREEMENT

THIS AGREEMENT made this 24th day of April, 2003, between THE MONROE COUNTY COMPREHENSIVE PLAN LAND AUTHORITY, a land authority under Section 380.0663(1), Florida Statutes, hereinafter referred to as "Land Authority," and FIRST STATE BANK OF THE FLORIDA KEYS, hereinafter referred to as "Lender".

THE PARTIES STIPULATE AND RECITE THAT:

- A. On April 5, 2001, MONROE COUNTY HOUSING AUTHORITY, hereinafter referred to as "Owner," took title to certain real property from Land Authority by virtue of a Warranty Deed recorded in O.R. Book 1686, page 748, of the Public Records of Monroe County, Florida, a copy of which is attached hereto as Exhibit "A."
- B. Owner has executed, or is about to execute, a mortgage and promissory note in the amount of One Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) in favor of Lender, and Land Authority acknowledges that such mortgage is in the best interest of Owner.
- C. Lender is willing to accept the said mortgage from Owner provided that Land Authority will subordinate the restrictions contained in the deed of conveyance referred to in paragraph A above.

For the reasons set forth above, and in consideration of the mutual covenants and promises of the parties hereto, Land Authority and Lender agree as follows:

The deed restrictions contained in the Warranty Deed referred to in paragraph A above, pertaining to the real property described on Exhibit "A," attached hereto, shall be subordinate to the claim of Lender under the mortgage executed by Owner, dated April 1, 2003 and recorded April 24, 2003 in O.R. Book _____, page _____, of the Public Records of Monroe County, Florida.

Land Authority shall execute such additional documents as Lender may reasonably require to give effect to this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement at Monroe County, State of Florida, the day and year first above written.

THE MONROE COUNTY COMPREHENSIVE
PLAN LAND AUTHORITY

WITNESSES:

Name: _____

By: _____
Murray E. Nelson, Chairman

Name: _____

STATE OF FLORIDA
COUNTY OF MONROE

The foregoing instrument was acknowledged before me this ____ day of _____, 2003 by Murray E. Nelson, Chairman of The Monroe County Comprehensive Plan Land Authority, on behalf of said Authority. Such person is personally known to me or has presented a _____ as identification.

(NOTARY SEAL)

NOTARY PUBLIC - STATE OF FLORIDA
Printed Name: _____
My Commission Expires: _____

FIRST STATE BANK OF THE FLORIDA
KEYS

WITNESSES:

Name: _____

By: _____
Kurt Lewin, Sr. Vice-President

Name: _____

STATE OF FLORIDA
COUNTY OF MONROE

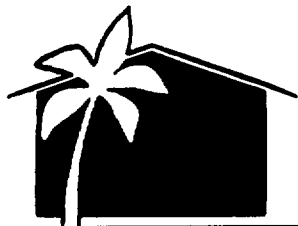
The foregoing instrument was acknowledged before me this ____ day of _____, 2003 by Kurt Lewin, Sr. Vice-President of First State Bank of the Florida Keys, on behalf of said entity. Such person is personally known to me or has presented a _____ as identification.

(NOTARY SEAL)

NOTARY PUBLIC - STATE OF FLORIDA
Printed Name: _____
My Commission Expires: _____

Exhibit "A"

Warranty Deed



KW
RECEIVED APR 30 2003

MONROE COUNTY HOUSING AUTHORITY

PO BOX 2476 • KEY WEST, FL 33040 • 305 296-5621

April 29, 2003

Mark Rosch, Executive Director
Monroe County Comprehensive
Plan Land Authority
1200 Truman Avenue, Suite 207
Key West, FL 33040

Dear Mr. Rosch:

On April 5, 2001 the Monroe County Housing Authority (Housing Authority) took title to real property recorded in O.R. Book 1686, page 748 from the Monroe County Comprehensive Plan Land Authority (Land Authority) for the purpose of development of affordable housing. The Housing Authority has secured Bank Qualified financing to complete the construction of fourteen units on this property.

The executed mortgage and promissory note in the amount of One Million, Two Hundred and Fifty Thousand dollars (\$1,250,000.00) is acceptable to the Lender provided that the Land Authority will subordinate the restrictions contained in the deed of conveyance to the claim of Lender.

Enclosed please find a 15-year Pro-Forma indicating a debt service coverage of 1.20%, and positive annual residual receipts starting in year one. These two indicators along with the consequences to the Lender in Bank Qualified financing, in the event of foreclosure, should provide the Land Authority the comfort and assurance of the developments continued affordability.

For your convenience, I have also enclosed a Subordination Agreement, similar to the one used for Roosevelt Gardens, and previously approved by the Land Authority. Please contact me with any questions or if I can assist further.

Sincerely,

J. Manuel Castillo, Sr.,
Executive Director

JMC:cac

Attachments

**MONROE COUNTY HOUSING AUTHORITY
STOCK ISLAND
15 YEAR PRO-FORMA**

14 Units FIFTEEN (15) YEAR OPERATING PROFORMA																1ST Year
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Per Unit
INCOME																
Gross Rental Income	148,080	152,522	157,098	161,811	166,665	171,665	176,815	182,120	187,583	193,211	199,007	204,977	211,127	217,460	223,984	10,577
Other Income	2,962	3,050	3,142	3,236	3,333	3,433	3,536	3,642	3,752	3,864	3,980	4,100	4,223	4,349	4,480	212
SUBTOTAL	151,042	155,573	160,240	165,047	169,999	175,099	180,352	185,762	191,335	197,075	202,987	209,077	215,349	221,810	228,464	10,789
Minus Vacancy (5%)	(7,552)	(7,779)	(8,012)	(8,252)	(8,500)	(8,755)	(9,018)	(9,288)	(9,567)	(9,854)	(10,149)	(10,454)	(10,767)	(11,090)	(11,423)	-539
(A) Income	143,490	147,794	152,228	156,795	161,499	166,344	171,334	176,474	181,768	187,221	192,838	198,623	204,582	210,719	217,041	10,249
OPERATING EXPENSES																0
Payroll	12,000	12,600	13,230	13,892	14,586	15,315	16,081	16,885	17,729	18,616	19,547	20,524	21,550	22,628	23,759	857
Utilities		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Grounds		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Repairs & Maintenance	12,000	12,600	13,230	13,892	14,586	15,315	16,081	16,885	17,729	18,616	19,547	20,524	21,550	22,628	23,759	857
Advertising/Marketing	800	840	882	926	972	1,021	1,072	1,126	1,182	1,241	1,303	1,368	1,437	1,509	1,584	57
Administrative	1,200	1,260	1,323	1,389	1,459	1,532	1,608	1,689	1,773	1,862	1,955	2,052	2,155	2,263	2,376	86
Management Fees - 6%	8,609	8,954	9,312	9,684	10,072	10,475	10,894	11,329	11,783	12,254	12,744	13,254	13,784	14,335	14,909	615
Pest Control	960	1,008	1,058	1,111	1,167	1,225	1,286	1,351	1,418	1,489	1,564	1,642	1,724	1,810	1,901	69
Insurance	18,428	19,349	20,317	21,333	22,399	23,519	24,695	25,930	27,227	28,588	30,017	31,518	33,094	34,749	36,486	1,316
Replacement Reserve	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	250
(B) EXPENSES	57,497	60,111	62,852	65,726	68,741	71,903	75,218	78,694	82,342	86,166	90,176	94,383	98,794	103,421	108,274	4,107
Expense per unit	4,107	4,294	4,489	4,695	4,910	5,136	5,373	5,621	5,882	6,155	6,441	6,742	7,057	7,387	7,734	293
NET OPERATING INCOME																0
(A) Income	143,490	147,794	152,228	156,795	161,499	166,344	171,334	176,474	181,768	187,221	192,838	198,623	204,582	210,719	217,041	10,249
(B) Expenses	(57,497)	(60,111)	(62,852)	(65,726)	(68,741)	(71,903)	(75,218)	(78,694)	(82,342)	(86,166)	(90,176)	(94,383)	(98,794)	(103,421)	(108,274)	-4,107
NET OPERATING INCOME	85,993	87,683	89,376	91,069	92,757	94,441	96,116	97,780	99,426	101,056	102,662	104,240	105,787	107,298	108,767	6,142
																0
DEBT SERVICE COVERAGE																0
(A) Net Operating Income	85,993	87,683	89,376	91,069	92,757	94,441	96,116	97,780	99,426	101,056	102,662	104,240	105,787	107,298	108,767	6,142
(B) Annual Debt Service	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	71,612	3,279
(C) NET INCOME	14,380	16,071	17,763	19,456	21,145	22,829	24,503	26,167	27,814	29,443	31,049	32,628	34,175	35,686	37,154	
(D) Debt Service Coverage	1.20	1.22	1.25	1.27	1.30	1.32	1.34	1.37	1.39	1.41	1.43	1.46	1.48	1.50	1.52	0
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**MONROE COUNTY HOUSING AUTHORITY
STOCK ISLAND
15 YEAR PRO-FORMA**

SCHEDULE OF RENTAL/OTHER INCOME

@ 50% Median Income				Annual Income
Unit Type	# Units	Rents	Total	
1BR-1BA				
2BR-2BA				
3BR-2BA				
Subtotal				
@ 65% Median Income				Annual Income
Unit Type	# Units	Rents	Total	
1BR-1BA				
2BR-2BA				
3BR-2BA				
Subtotal				
@ 80% Median Income				Annual Income
Unit Type	# Units	Rents	Total	
1BR-1BA		\$0	\$0	\$0
2BR-2BA	8	\$800	\$6,400	\$76,800
3BR-2BA	6	\$990	\$5,940	\$71,280
Subtotal	14		\$12,340	\$148,080
TOTAL	14		\$12,340	\$148,080
Interest Income				
Miscellaneous Income @ 2%			\$2,962	
TOTAL OTHER INCOME				\$2,962
TOTAL INCOME				\$151,042

SCHEDULE OF DEBT SERVICE

1st Mortgage Amt.	Mo. P & I
\$1,250,000	\$5,968
ANNUAL DEBT SERVICE	
<u>First Mortgage Assumption:</u>	
Rate:	4.00%
Constant:	0.0573
Term:	30 years
2nd Mortgage Amt.	Interest Only
	#DIV/0!
2nd Mtg Annual Debt Service	
<u>Second Mortgage Assumption:</u>	
Rate:	0.00%
Constant:	
Term:	0 years

ASSUMPTIONS:

	a. Annual Rental Increase:	3%
	b. Vacancy -5% of gross pr	5%
71,612	c. Annual Expense Increase	5%
	d. Management Expense	6%
	e. Replacement Reserve:	\$250/unit Yrs 1-15

TOTAL ANNUAL DEBT SERVICE:

71,612

**LAND AUTHORITY GOVERNING BOARD
AGENDA ITEM SUMMARY**

Meeting Date: June 18, 2003

Bulk Item: Yes ☐ No ☒

Department: Land Authority

Agenda Item Wording: Approval to purchase property - Silver Lake Park subdivision.

Item Background: This agenda item is proposed to protect property rights and natural resources. Silver Lake Park is a sparsely developed subdivision located at MM 100 on the oceanside of Key Largo zoned Improved Subdivision (IS). The lots in this subdivision would score poorly in ROGO due to the presence of tropical hardwood hammock and threatened/endangered animal species habitat. In order to protect the area's natural resources, staff recommends offering to purchase the vacant lots (approximately 45) in this subdivision.

Land stewardship needs for this property are anticipated to be low.

The Land Authority's standard purchase contract will be used for these transactions. The agenda packet spreadsheet lists the maximum costs in the event all the vacant lot owners wish to sell. The actual costs will depend upon the number of willing sellers.

Advisory Committee Action: On April 24, 2003 the Advisory Committee voted 4/0 to approve making purchase offers of 115% of the 1996 assessed value for all vacant lots in the subdivision.

Previous Governing Board Action: To date the Land Authority has not acquired any property in this subdivision.

Contract/Agreement Changes: N/A

Staff Recommendation: Approval.

Total Cost: \$ 325,0000

Budgeted: Yes ☒ No ☐.

Cost to Land Authority: \$ 325,000

Source of Funds: Land Authority
(Tourist Impact Tax and State Park Surcharge)

Approved By: Attorney ☒ County Land Steward ☒.

Executive Director Approval: _____


Mark J. Rosch

Documentation: Included: ☒

To Follow: ☐

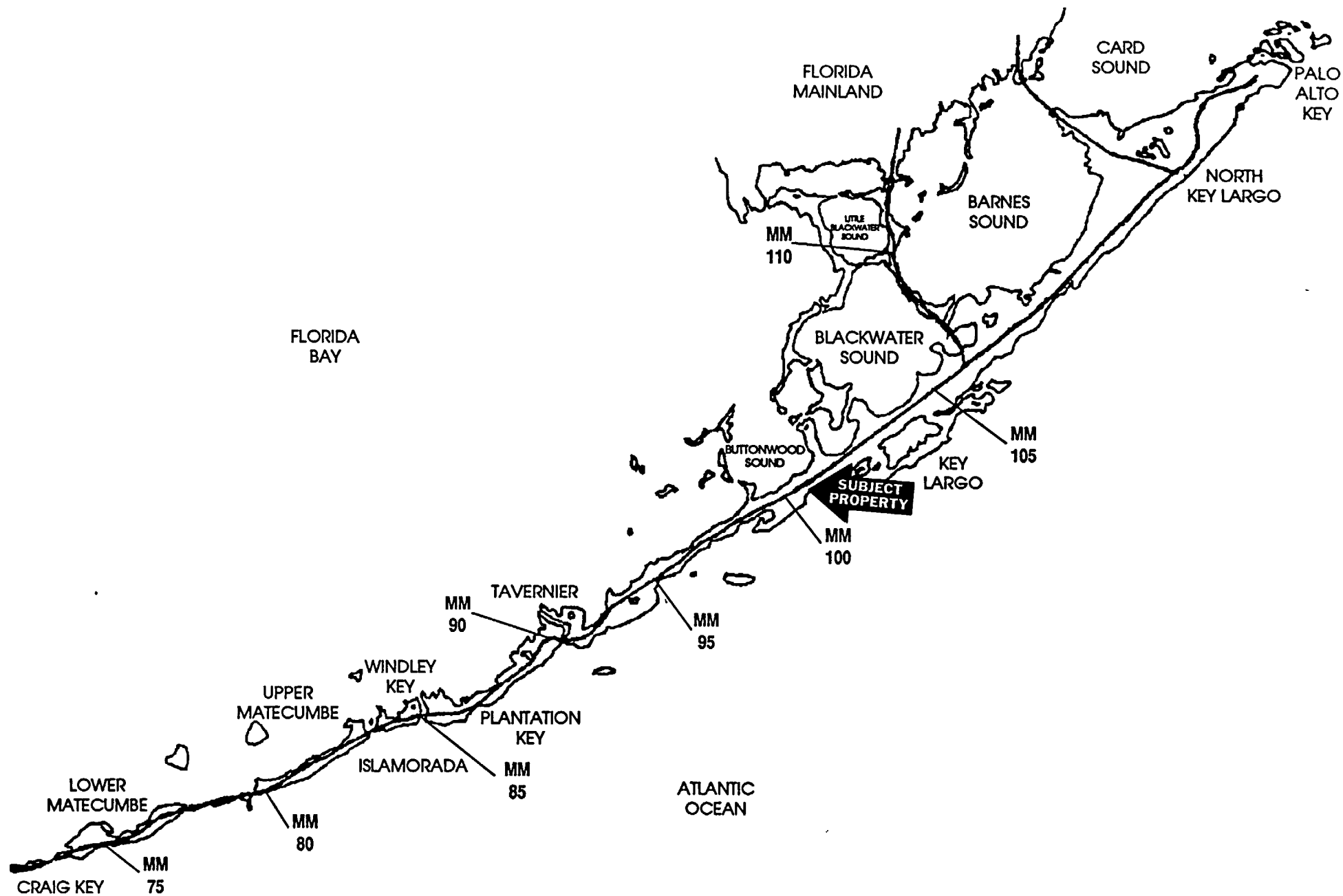
Not Required: ☐.

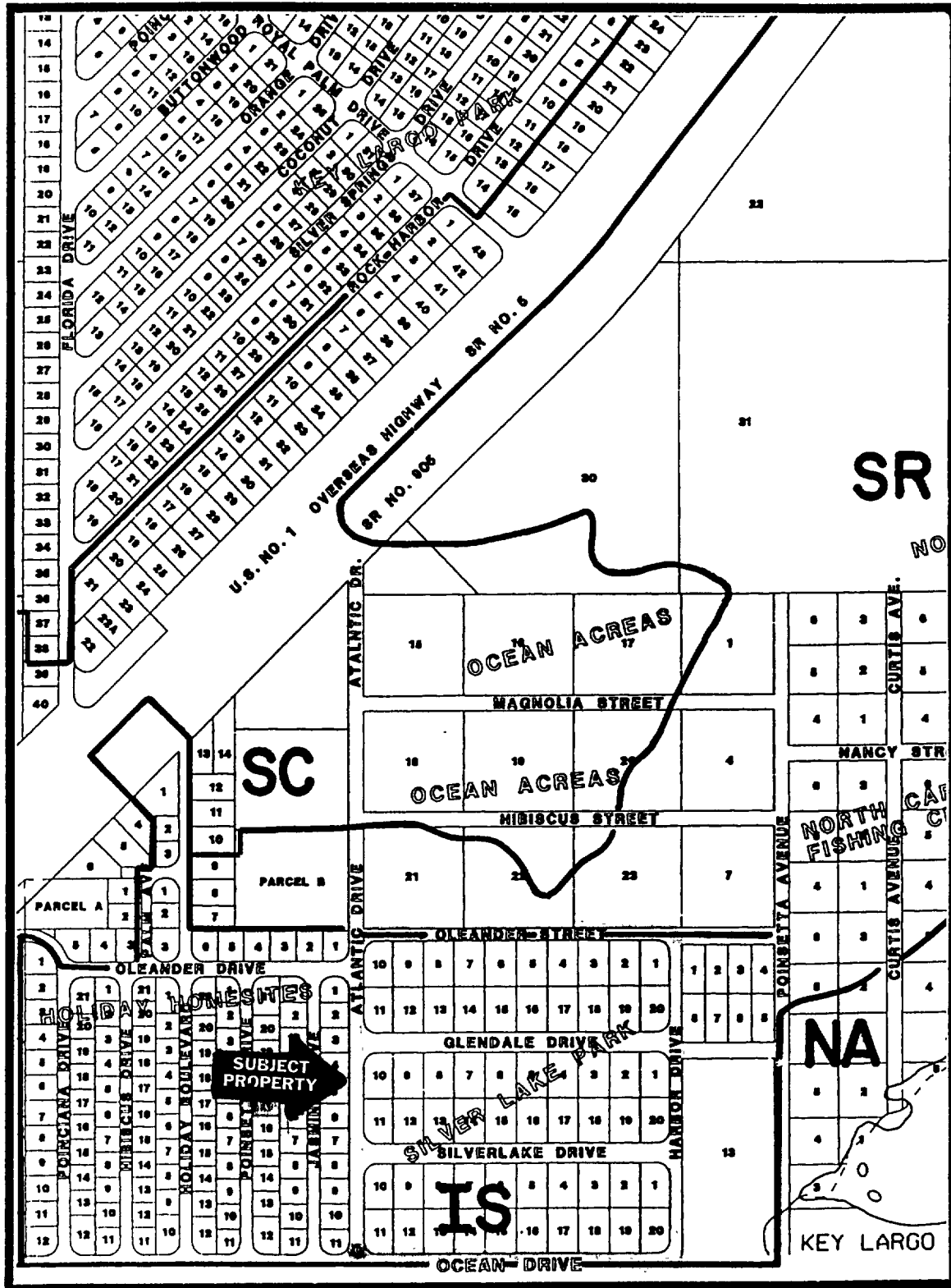
Disposition: _____

Agenda Item LA #5a

PURCHASE CONTRACTS
06/18/03

<u>Property</u>	<u>Purchase Price</u>	<u>Envr. Audit, Survey or Clean-up</u>	<u>Title Insurance</u>	<u>Attorney Fee</u>	<u>Recording Fee</u>	<u>Acquisition Total</u>
Silver Lake Park Subdivision (PB 4-95)						
27 Ownerships / 45 Lots	\$305,584.00	\$7,000.00	\$5,504.00	\$6,750.00	\$162.00	\$325,000.00





Mile Marker 100.1 Island Key Largo

Property Silver Lake Park (PB 4-95)

FLORIDA DRIVE

OR 5)

BARBICOR DRIVE

SUBJECT
PROPERTY

OCEAN DRIVE

**LAND AUTHORITY GOVERNING BOARD
AGENDA ITEM SUMMARY**

Meeting Date: June 18, 2003

Bulk Item: Yes ☐ No ☒

Department: Land Authority

Agenda Item Wording: Approval to purchase property - Big Pine Key Acreage (RE #111120).

Item Background: This agenda item is proposed to protect property rights and natural resources. The subject property consists of 1.8 acres of pineland on bayside of Big Pine Key fronting County Road and Palmetto Drive. The parcel is zoned Suburban Residential (SR) and is too small to meet the minimum acreage necessary to build a single-family home as of right. The property would also score poorly in ROGO due to the presence of pineland vegetation and threatened/endangered animal species habitat. This parcel has an H value of 0.0118 or 0.5% of the County's total mitigation requirement under the proposed Key Deer habitat Conservation Plan.

Land stewardship needs for this property are anticipated to be moderate, due to the presence of exotic vegetation and the possible need for prescribed burning.

The Land Authority's standard purchase contract will be used for this transaction. The agenda packet spreadsheet lists the purchase price and estimated closing costs.

Advisory Committee Action: On May 29, 2003 the Advisory Committee voted 3/0 to approve the proposed purchase.

Previous Governing Board Action: The Land Authority has purchased many parcels on Big Pine Key for conservation purposes.

Contract/Agreement Changes: N/A

Staff Recommendation: Approval.

Total Cost: \$ 30,048.00

Budgeted: Yes ☒ No ☐.

Cost to Land Authority: \$ 30,048.00

Source of Funds: Land Authority
(Tourist Impact Tax and State Park Surcharge)

Approved By: Attorney ☒ County Land Steward ☒.

Executive Director Approval: _____


Mark J. Rosch

Documentation: Included: ☒

To Follow: ☐

Not Required: ☐.

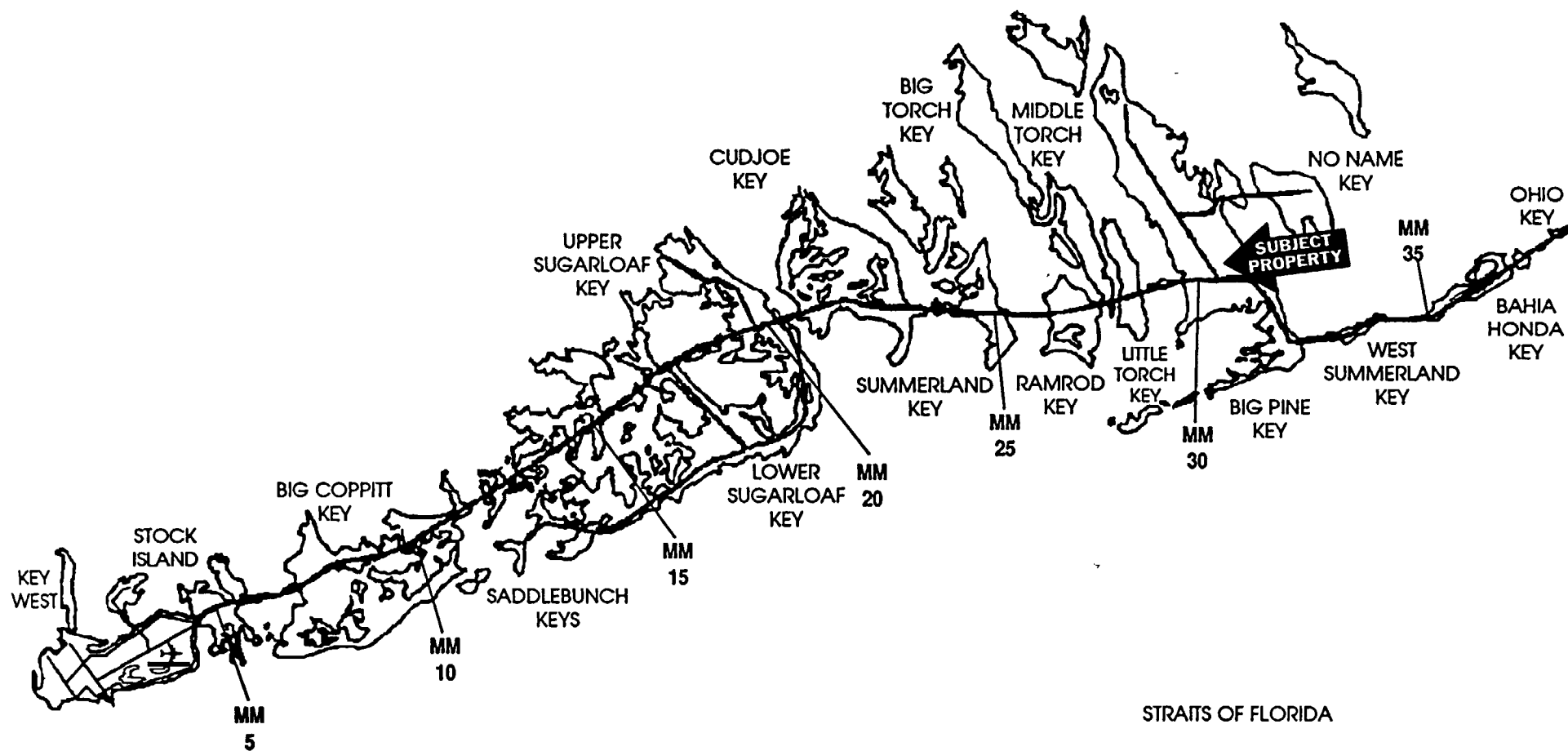
Disposition: _____

Agenda Item LA #5b

PURCHASE CONTRACTS
06/18/03

<u>Property</u>	<u>Purchase Price</u>	<u>Envr. Audit, Survey or Clean-up</u>	<u>Title Insurance</u>	<u>Attorney Fee</u>	<u>Recording Fee</u>	<u>Acquisition Total</u>
Big Pine Key Acreage RE#00111120-000000 (Sawyer)	\$27,531.00	\$2,000.00	\$261.00	\$250.00	\$6.00	\$30,048.00

FLORIDA
BAY





COUNTY ROAD

SUBJECT
PROPERTY

U.S. TOVERSEAS HIGHWAY (SR 5)